

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

## FINAL EXAMINATION

TRIMESTER 3, 2017/2018

### BMR1014 – FUNDAMENTALS OF MARKETING

(All sections / Groups)

06 JUNE 2018

2.30 p.m. - 4.30 p.m.

(2 Hours)

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#### INSTRUCTIONS TO STUDENT

1. This question paper consists of 7 pages with 2 Sections only.
2. **Section A: THIRTY (30)** Multiple Choice Questions. Attempt **ALL** questions.  
**Section B: TWO (2)** Structure Questions. Attempt **ALL** questions.
3. Please write all your answers for Section A on the OMR sheet and Section B in the Answer Booklet provided.

**SECTION A [50 Marks]****Attempt ALL questions.**

- 1) \_\_\_\_\_ involves first identifying and assessing competitors and then selecting which competitors to attack or avoid.
  - a) Competitor analysis
  - b) Self-competition
  - c) Blue ocean strategy
  - d) Quantitative analysis
  - e) Perfect competition
- 2) A firm should compete with \_\_\_\_\_ competitors in order to sharpen its abilities. Succeeding against these competitors often provides greater returns.
  - a) strong
  - b) international
  - c) weak
  - d) distant
  - e) smaller
- 3) When companies serve customers who are willing to pay a premium to get precisely what they want and the company responds quickly to satisfy these customers' needs, the company has achieved \_\_\_\_\_.
  - a) customer intimacy
  - b) cost leadership
  - c) operational excellence
  - d) product leadership
  - e) focus
- 4) A competitor analysis requires the assessment of all of the following EXCEPT the competitors' \_\_\_\_\_.
  - a) objectives
  - b) organizational hierarchy
  - c) strategies
  - d) strengths and weaknesses
  - e) reaction patterns
- 5) A company that pursues \_\_\_\_\_ will react much more strongly to a competitor's cost reducing manufacturing breakthrough than to the same competitor's advertising increase.
  - a) product differentiation
  - b) low-cost leadership
  - c) customer intimacy
  - d) a middle-of-the-roads strategy
  - e) product leadership

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- 6) Country Kitchen and Perkins are both a chain of family restaurants featuring diner-like menus with reasonably priced items. These companies are in the same \_\_\_\_\_.  
a) focus group  
b) strategic group  
c) control group  
d) target group  
e) experimental group
- 7) Porsche is a German automobile manufacturer that competes against BMW and Audi, but only in the sports car and SUV segments of the automobile market. Porsche utilizes a(n) \_\_\_\_\_ strategy.  
a) overall cost leadership  
b) focus  
c) middle-of-the-roads  
d) market segmentation  
e) blue ocean
- 8) The first step in initiating competitive marketing strategies is to \_\_\_\_\_.  
a) balance customer and competitor orientations  
b) design broad competitive marketing strategies  
c) assess long-term organizational objectives  
d) conduct competitor analysis  
e) conduct transaction analysis
- 9) Companies need to know each competitor's product quality, features, and mix; customer services; pricing policy; distribution coverage; sales force strategy; and advertising and sales promotion programs. These are all the dimensions that identify \_\_\_\_\_ groups within the industry.  
a) target  
b) focus  
c) control  
d) strategic  
e) experimental
- 10) Rather than competing head to head with established competitors, many companies seek out unoccupied positions in uncontested market spaces. They try to create products and services for which there are no direct competitors. This is called a \_\_\_\_\_.  
a) horizontal integration approach  
b) commercialization process  
c) guerrilla marketing technique  
d) blue ocean strategy  
e) lean dynamics approach

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- 11) If the company's offer delivers greater value by exceeding the competitor's offer on important attributes, the company can charge a higher price and \_\_\_\_\_, or it can charge the same price and \_\_\_\_\_.
- a) earn lower profits; gain higher profits
  - b) earn higher profits; lose profits
  - c) earn higher profits; gain more market share
  - d) lose profits; gain more market share
  - e) lose profits; gain higher profits
- 12) An industry often contains "good" and "bad" competitors. Good competitors \_\_\_\_\_.
- a) break the rules of fair competition
  - b) ensure minimum competition between firms
  - c) play by the rules of the industry
  - d) typically dominate the market
  - e) share their marketing strategies with other firms
- 13) When a company provides superior value by leading its industry in price and convenience, it has obtained \_\_\_\_\_.
- a) product leadership
  - b) focus
  - c) operational excellence
  - d) customer intimacy
  - e) differentiation
- 14) If a company's aim is to make its own and competing products obsolete and serve customers who want state-of-the-art products and services, it is using a value discipline called \_\_\_\_\_.
- a) overall cost leadership
  - b) product activation
  - c) product binning
  - d) product leadership
  - e) customer intimacy
- 15) To remain number one, leading firms can take any of three actions. First, they can find ways to expand total demand. Second, they can protect their current market share through good defensive and offensive actions. Third, they can \_\_\_\_\_.
- a) focus exclusively on divestment
  - b) evaluate current employees and reduce costs through downsizing
  - c) run smaller companies out of business, causing them to sell out to larger firms
  - d) try to expand their market share further, even if market size remains constant
  - e) shut down current company locations and reopen in highly populated areas

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- 16) The \_\_\_\_\_ is specifically focused on the future welfare of consumers.
- a) strategic planning concept
  - b) direct marketing concept
  - c) societal marketing concept
  - d) consumer business concept
  - e) telemarketing concept
- 17) Critics have accused some producers of practicing \_\_\_\_\_ by using materials and components that will break, wear, rust, or rot sooner than they should.
- a) high-pressure selling
  - b) short-term planning
  - c) planned obsolescence
  - d) nonfunctional warranty
  - e) deceptive promotion
- 18) It is most accurate to say that the recent recession has resulted in \_\_\_\_\_.
- a) an overselling of private goods
  - b) a disbelief in the American dream
  - c) a decline in conspicuous spending
  - d) an increase in materialism
  - e) the elimination of false wants
- 19) Setting prices below cost, threatening to cut off business with suppliers, and discouraging the purchase of a competitor's products are all examples of \_\_\_\_\_.
- a) oligopolistic competition
  - b) social costs
  - c) predatory competition
  - d) acquisitions
  - e) cultural pollution
- 20) Environmentalists assert that the marketing system's goal should be to maximize \_\_\_\_\_.
- a) sales and profits
  - b) consumer satisfaction
  - c) life quality
  - d) consumer choice
  - e) consumption

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- 21) \_\_\_\_\_ calls for meeting the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs.
- a) Sustainable marketing
  - b) Ambush marketing
  - c) Consumerism
  - d) Environmentalism
  - e) Strategic planning
- 22) McDonald's "Plan to Win" strategy has added healthy food options to its menu, phased out traditional artery-clogging trans fats, launched a major multifaceted education campaign, and addressed environmental issues. "Plan to Win" best exemplifies the \_\_\_\_\_.
- a) sustainable marketing concept
  - b) direct marketing concept
  - c) mercantilism concept
  - d) strategic planning concept
  - e) consumer business concept
- 23) The following quote best describes \_\_\_\_\_. "The marvels of modern technology include the development of a soda can which, when discarded, will last forever, and a car, which when properly cared for, will rust out in two or three years."
- a) planned obsolescence
  - b) product failure
  - c) deceptive promotions
  - d) deceptive packaging
  - e) excessive markups
- 24) \_\_\_\_\_ involves persuading people to buy goods they had no thought of buying.
- a) Sustainable marketing
  - b) High-pressure selling
  - c) Strategic marketing
  - d) Redlining
  - e) Reverse redlining
- 25) Hart's Department Store was accused of deceptive promotion. Which of the following best explains what might have happened?
- a) Hart's refused to advertise sale prices in the local paper.
  - b) Hart's advertised a bargain price on an out-of-stock product.
  - c) Hart's advertised a large price reduction from an exaggerated high retail list price.
  - d) Hart's used misleading labeling on certain products.
  - e) Hart's exaggerated its package contents through subtle design.

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- 26) Some firms define their purpose in narrow product terms. Others that define their purpose in broad social terms follow \_\_\_\_\_.
- a) promotional marketing
  - b) sense-of-mission marketing
  - c) consumer-oriented marketing
  - d) customer-value marketing
  - e) consumerism
- 27) When a company makes marketing decisions by considering consumers' wants and interests, the company's requirements, and society's long-run interests, it is practicing \_\_\_\_\_ marketing.
- a) value
  - b) societal
  - c) sense-of-mission
  - d) consumer-oriented
  - e) customer-value
- 28) Dale's Drugstore sells cough medicine that is sour and ineffective. This is an example of a \_\_\_\_\_ product.
- a) societal
  - b) pleasing
  - c) salutary
  - d) deficient
  - e) desirable
- 29) Envirosax reusable shopping bags are stylish and affordable, and they eliminate the need for plastic store bags. Envirosax reusable shopping bags most likely fall in the category of \_\_\_\_\_ products.
- a) deficient
  - b) pleasing
  - c) mature
  - d) desirable
  - e) unpleasing
- 30) Dan's Drugstore sells consumers medicine for twenty dollars that only costs two dollars to make. The store is guilty of \_\_\_\_\_.
- a) deceptive promotion
  - b) deceptive packaging
  - c) false advertising
  - d) excessive markups
  - e) redlining

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**SECTION B [70 Marks]- Structure Questions**

Attempt ALL questions.

**QUESTION 1**

It has been a plan for Mr. Mark to expand its sport apparel brand to female sport market in Malaysia. Mr. Mark intended to kick start with a series of female sport apparels using “more for more” value proposition, where a higher price is justified to cover the higher costs. As the marketing advisor to Mr. Mark, kindly discuss:

- a) Any **TWO (2)** demographic and **TWO (2)** behavioural segmentation variables that Mr. Mark can use to segment the female sport market in Malaysia.  
(10 marks)
- b) Suggest and justify the individual product decisions for Mr. Mark’s series of female sport apparels in terms of product quality, product features, and branding.  
(15 marks)
- c) Any **FOUR (4)** promotional tools that Mr. Mark can use to promote its female sport apparels in Malaysia.  
(10 marks)

(Total: 35 marks)

**QUESTION 2**

Inbodied, a sport watch manufacturer in China, intended to package themselves as the most affordable sport watch seller in Asia countries. Kindly discuss:

- a) How Inbodied can attract a large number of buyers quickly through market penetration pricing strategy? Explain **FOUR (4)** conditions Inbodied must meet for this pricing strategy to work.  
(15 marks)
- b) The **FOUR (4)** channel distribution systems that Inbodied can use to distribute its sport watch in Asia countries.  
(20 marks)

(Total: 35 marks)

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